

The eCommerce Opportunity in India: Beauty, Wellness, Food & Sporting Goods

Victorian eCommerce Network

10 March 2020

GLOBAL VICTORIA

In partnership with

 **Asialink**
Business

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In partnership with



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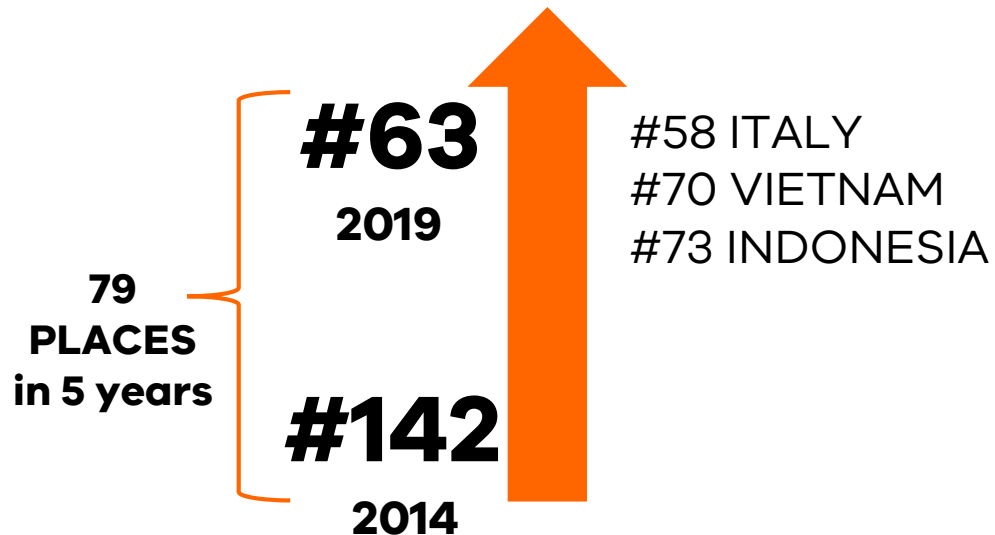
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The India Growth Story

- USD3 trillion economy (2019)
- Currently slowing GDP growth
- Projected surplus of 200m workers

EASE OF DOING BUSINESS:



India & Changing Consumer Behaviour

- India's middle class will drive 75% of consumer spending within 10 years
- By 2030 80% of households will be middle income (up from 50% today)
- People are spending more on experiences, customized products, and time-saving services
- ~20% of purchases are digitally influenced, projected to rise to 40% by 2030
- More sophisticated product promotion and customer retention
- Health and wellbeing is growing in importance.
- ~36% of young people currently have a fitness app installed on their phone.

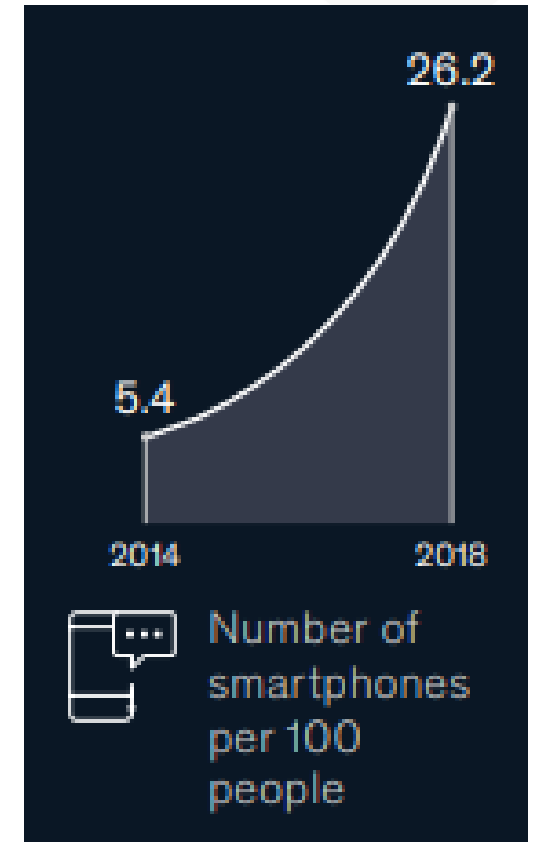


E-Commerce as the New Enabler

- World's fourth largest retail market
- 79% of urbanised Indians use online commerce
 - 83% supermarkets, 50% drugstores, 21% monobrand beauty stores)
- Digital payment acceptance has grown from 1.5m locations to over 10m locations in three years

Projections by 2026:

- Online shoppers will grow from 15% to 50% of total online population
- E-commerce at USD200bn
 - 1/7 of total retail market, 1/3 of shopping digitally influenced)
- Will also impact back end – promotion, logistics, payments



McKinsey,
Digital India, April
2019

Key Legislative Changes

- **GST** – launched on 1 July 2017, but still among most complicated GSTs in the world. Ongoing efforts to streamline
- **Customs Regulations** - Improved trading/movement of goods across state borders – better electronic submission of documents, single platform for trade stakeholders
- **Feb 2019 – E-Commerce Bill** - Major adjustments to online market place:
 - Laws against deep discounting online
 - No online exclusivity
 - Warranty is responsibility of the seller, not the platform
 - Level playing field for all vendors (eg. Platforms have to offer same warehousing, logistics, payments, finance etc to all vendors)
- **Dec 2019 – Personal Data Protection Bill** – data not to be shared without permission. Impact still to be felt.

How Global Victoria Can Help

- Offices in Bangalore and Mumbai
- Growing experience with Victorian personal care companies
- Government supported visits by major Indian retailers and influencers to Melbourne
- Network of support – eg. Product registration, logistics, PR
- Recent successes: Goat Australia, Swisse, Sand & Sky



Interested in more???

OUTBOUND MISSION – 8-12 June 2020, Delhi, Mumbai and Bangalore

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E-commerce in India



amazon.in

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Important Links for Amazon India

<https://sellercentral.amazon.in/> (Amazon India Seller central)

<https://services.amazon.in/services/sell-on-amazon> (Pricing)

<https://brandservices.amazon.in/> (Brand registry for Brand Protection)

<https://advertising.amazon.in> (Amazon advertising)

The Australian store - www.amazon.in/theaustralianstore



Shop by category



Beauty products



Grocery



Healthy living



Sports products

The Australian store on Amazon.in is launched by Mr. Simon Birmingham, Minister for Trade, Tourism and Investment, Australia on 26th Feb 2020 at The Australia India Business Exchange 2020 event organized by Austrade in Mumbai.

Australian beauty brands on Amazon

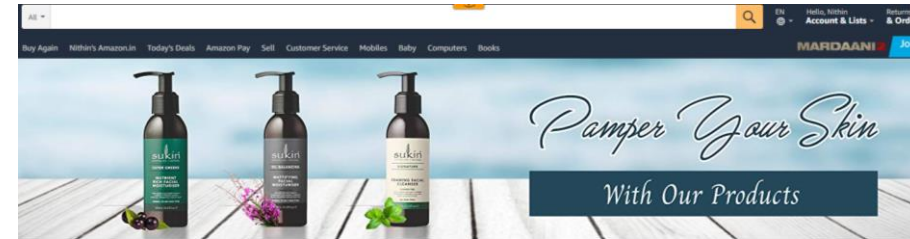


Sand&Sky

Sand & Sky products are packed with Aussie Botanicals to create super effective formulas, that skip the 10-step routines.

**NO NASTIES,
NO WORRIES.**

Spend less time worrying about your skin, and more time living in it.



sukin
HOME STORE



AGENDA

Understanding Indian customers

Why E-commerce in India?

What are the regulations for international brands?

What are successful brands doing in India?

Customer Quote (1/2)

Swati Bajaj, Creative Director at Art Films says *“My friend who visited me from Australia last year had gifted an Organic Care - Dry Nourish shampoo & conditioner which contains Argan Oil & Cacao butter. It made my hair soft and smooth. I fell in love with the product. I wanted to buy Organic Care’s products again but I couldn’t find it anywhere for months. Finally I requested my friend to carry a few bottles of the shampoo and conditioner on her next visit.”*



Customers in India Looking for(2/2)

Extensive
selection

A Good quality
well priced
product

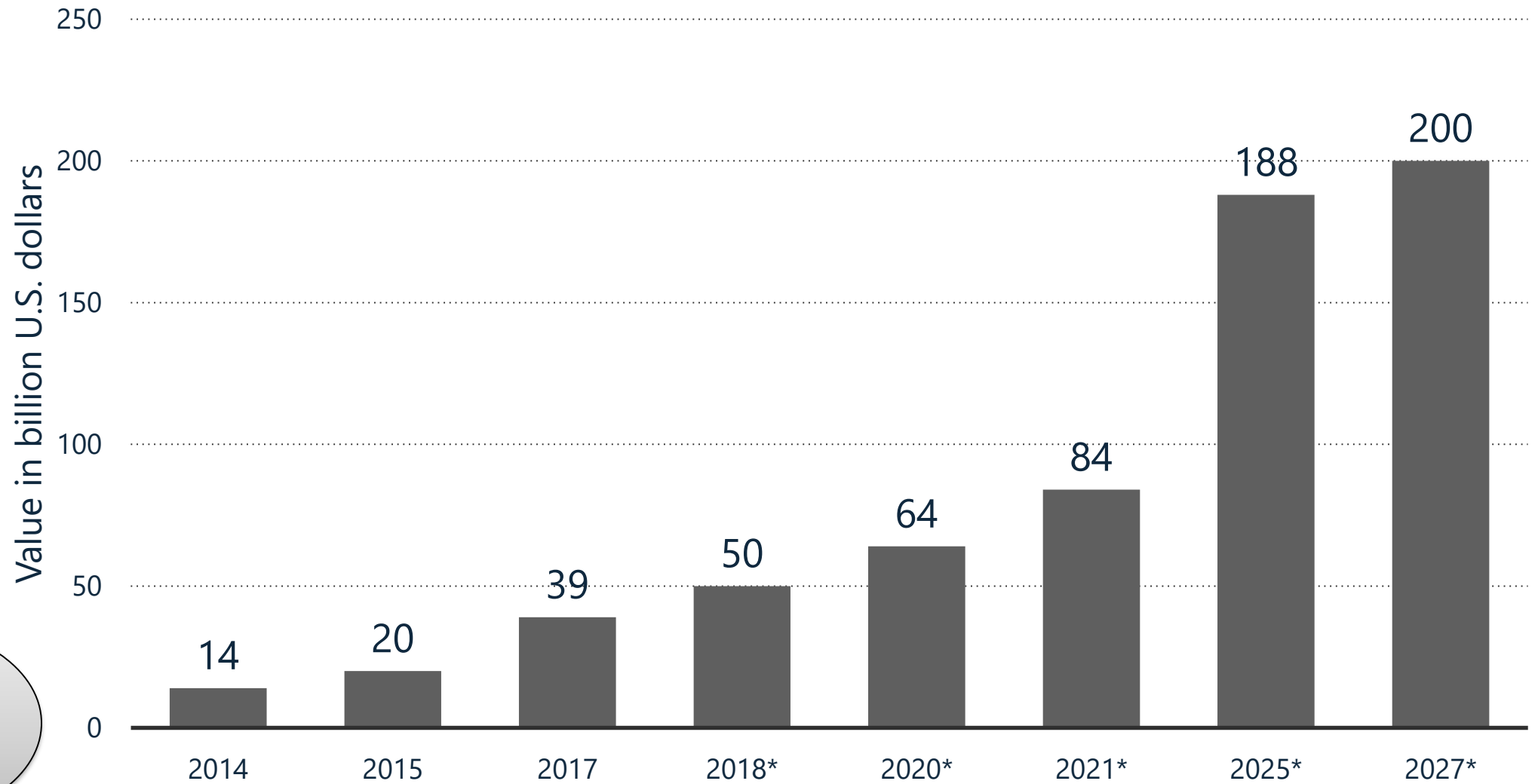
Innovative
products

Trendy
products

Speedy
delivery

Access to
International
brands

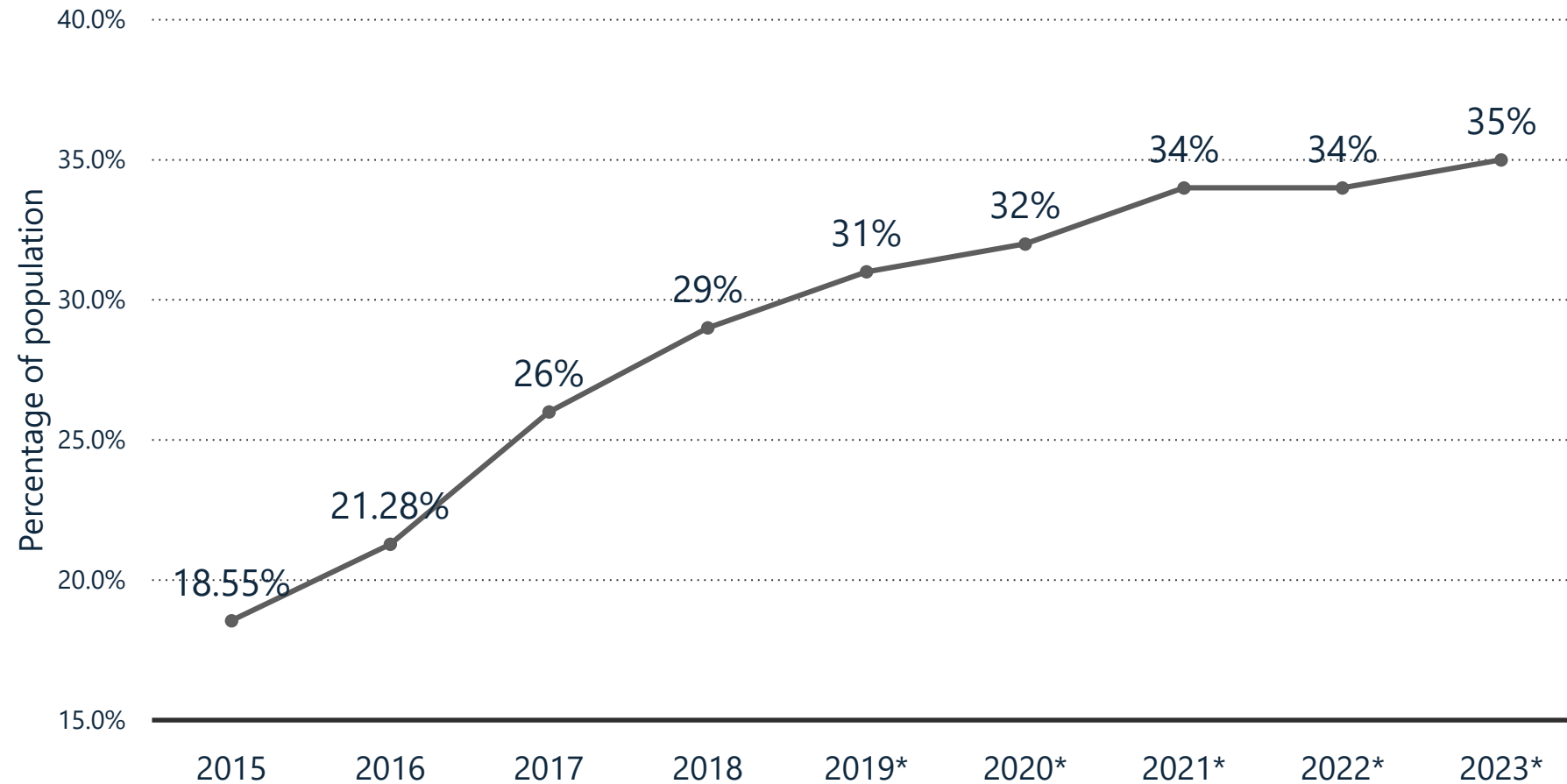
Why e-commerce in India? (1/3)



CAGR
- 30%

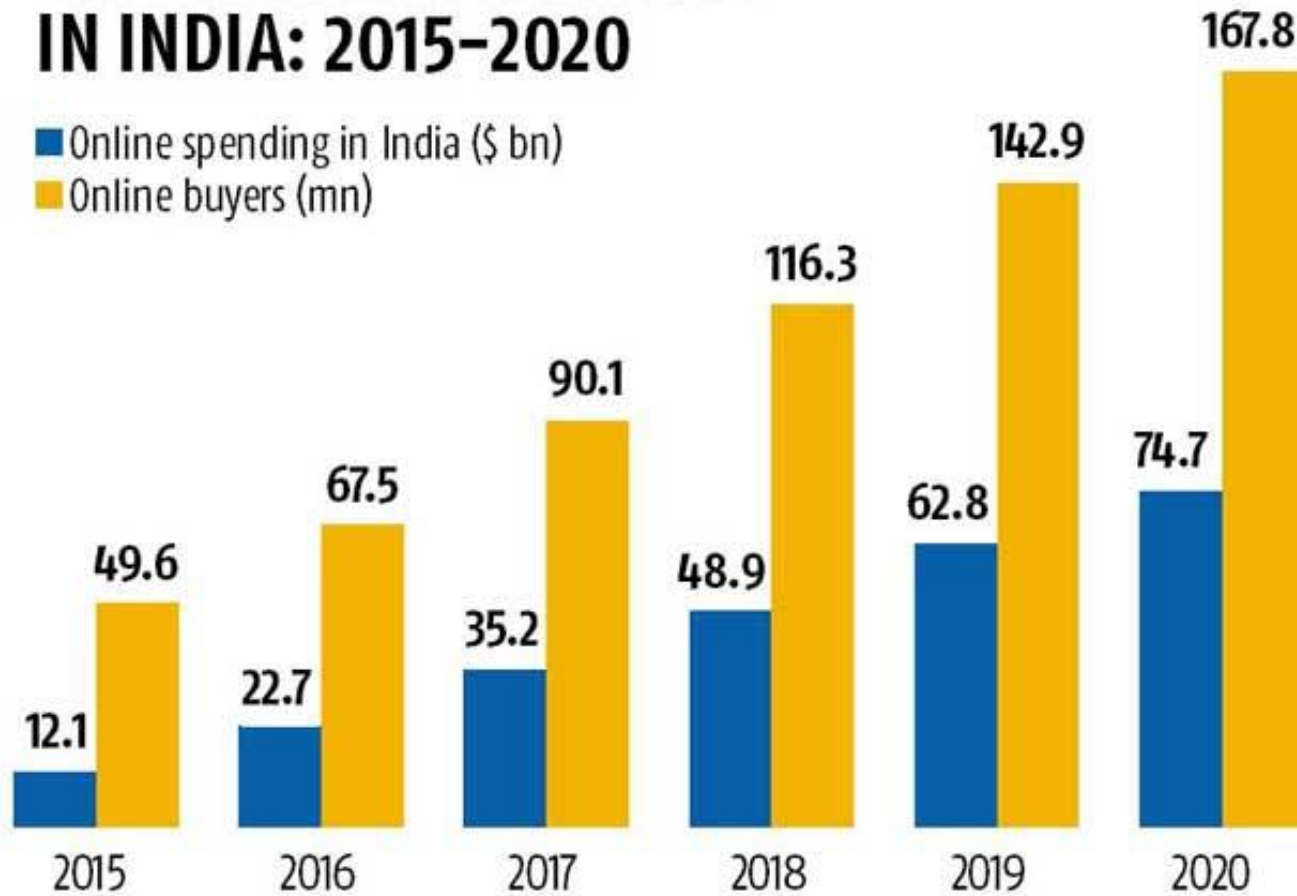
Why e-commerce in India? (2/3)

Mobile phone internet user penetration in India from 2015 to 2023



Why e-commerce in India? (3/3)

ONLINE RETAIL SPENDING IN INDIA: 2015-2020



Source: Forrester research online retail forecast, 2015-2020, Asia-Pacific

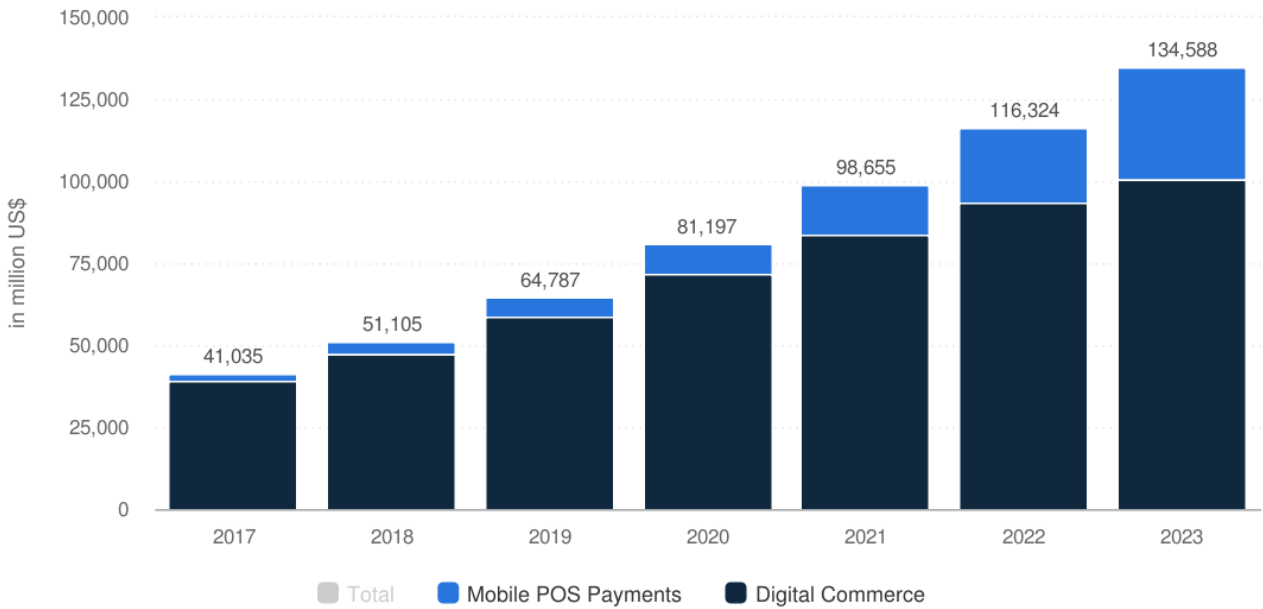
Tip of the Iceberg



Digital Payments market in India

Transaction Value in the Digital Payments market

in million US\$ (India)



Source: Statista, September 2019

statista

- US\$81,197m in 2020.
- CAGR 2020-2023 - 18.3%
- By 2020 – 45 billion transactions vs 2.1 billion transactions in 2017



Compliance and License Requirements – CDSCO for beauty

Imported Brands

- Brand and Product Registration required with CDSCO for beauty products

Compliance and License Requirements – FSSAI for grocery

Imported Brands

- FSSAI License number for importing grocery products

Why Amazon India?(1/2)

Most Visited

E-Commerce website in India
Source: SimilarWeb, Jan 18

100+ Categories

With active customers

>100 million

Fastest mobile App downloads

#1



Unique shopper visits
on PC

2x



m-Web visits ~2 times the
competition

33%



Higher App Downloads
than competition

Preferred destination for
Product Search



More Product Searches happen
on Amazon.in than all search
engines put together



1 in 4 customers researched
products on Amazon before
making offline purchase



Why Amazon India?(2/2)

amazon.in

170 Million+
Products

Half a million +
Unique Sellers

Most visited
E-Commerce site

amazon prime

FREE fast delivery, videos, music & more
Membership program

100% pin codes/postcodes
coverage in India

Amazon Services Confidential

Amazon India Fulfillment channels

amazon prime

FREE fast delivery, videos, music & more

**Fulfillment
Centre (FC)**

Seller Flex

**Multi-seller Flex
(MSF)**

Easy Ship

**Merchant
Fulfillment
Network (MFN)**

amazon.in

Amazon Services Confidential

Amazon Spike Events

Jan - ART

May ART

July Prime Day

Aug - ART


Diwali - ART

ART is 'Amazon Rolling Thunder' sale events




Amazon Services Confidential

What are successful brands doing in India?



Building Digital
Ecosystem on
Amazon



Building Digital
Ecosystem outside
Amazon

Building Digital Ecosystem on Amazon.in (1/3)

A+ cataloging – Effective cataloging

Inventory replication in 5 regions of India

Focus on pricing strategy

Build brand store

Register your brand through Amazon brand registry

amazon brand registry

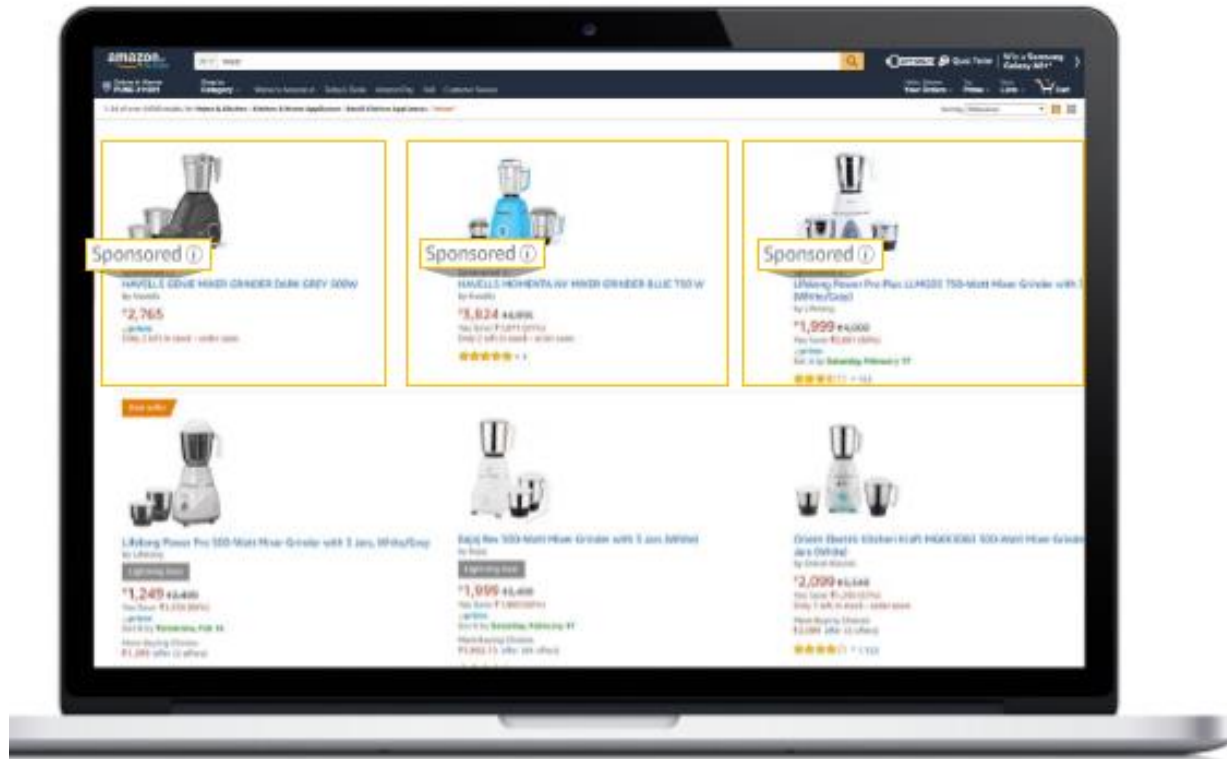
Drive traffic through Amazon Marketing Services

amazon advertising

Building Digital Ecosystem on Amazon.in (2/3)

Sponsored Products

Sponsored Products is a self-serving tool that will help your ads to:

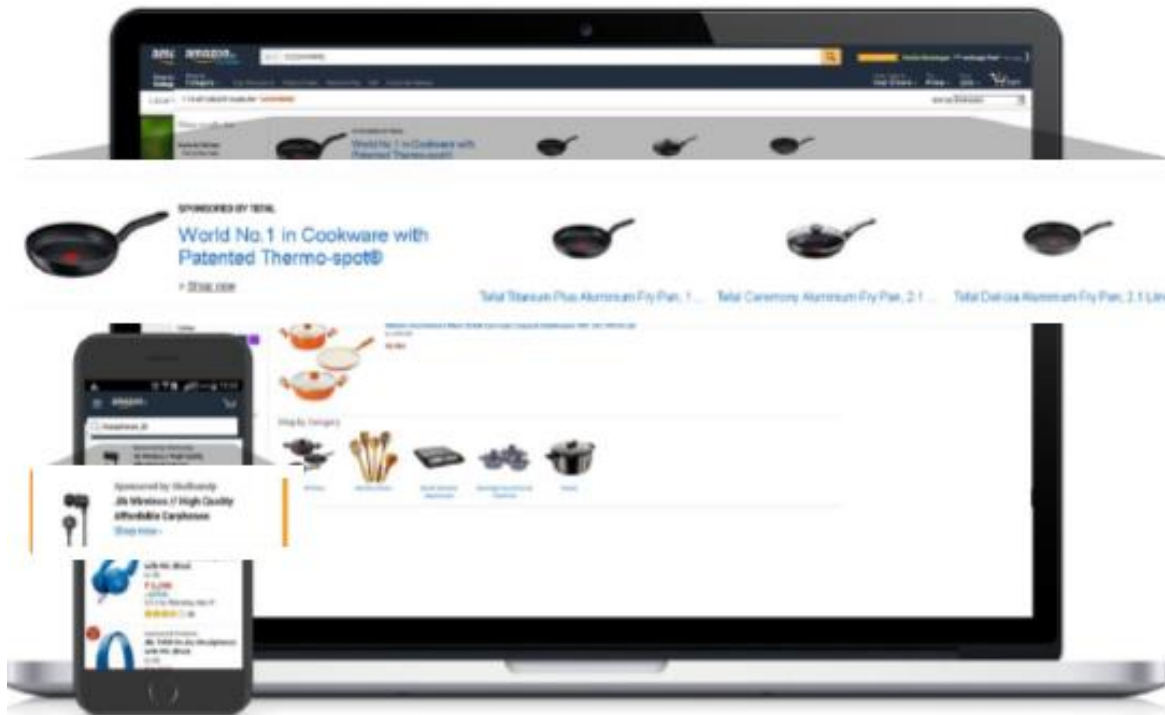




-  Promote any specific product
-  Begin advertising with a budget as low as Rs.1 per click
-  Boost sales, advertise to shoppers on mobile and PC
-  Increase product discoverability

Building Digital Ecosystem on Amazon.in (2/3)

Headline Search Ads

Drive shoppers from search results to pages that uniquely showcase your product range



-  High visibility placement above search results
-  Target shoppers searching keywords that are relevant to your brand and products
-  Send shoppers from your Headline Search Ad to exclusive Amazon store dedicated to your brand
-  Begin advertising with a budget as low as Rs.5 per click

Building Digital Ecosystem outside Amazon.in (1/2)



Building Digital Ecosystem outside Amazon.in (2/2)



thank you



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Shiraz Engineer

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Panelists

Sheridan Wright, Export Manager, Natio
Sarah Hamilton, Co-Founder, Sand and Sky
Dani Di Pilla, Manager of DPP Pharmaceuticals, Goat Soap
Apurwa Sarve, Senior Strategy Manager, Swisse Wellness

**Facilitated by: Shiraz Engineer, Associate Director, Strategy and
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Q&A

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**Thank you for
your feedback**

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